

**FREQUENTLY ASKED QUESTIONS ABOUT THE SECTION 298 INITIATIVE
MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES**

1. What are the pilot projects?

The Michigan Legislature passed legislation in 2017, which directed the Michigan Department of Health and Human Services (MDHHS) to test the integration of publicly-funded (Medicaid) physical health and behavioral health services through the use of pilot projects. During the pilots, MDHHS will use a single contract between the state and each Medicaid Health Plan (MHP) in the geographic region of the pilot for the management of all Medicaid-funded services. Additionally, each MHP will contract with the Community Mental Health Service Provider (CMHSP) within the pilot region for the delivery of specialty behavioral health services.

2. What is the goal of creating pilots?

The goal of the pilots is to see whether financial integration will result in greater coordination of physical health and behavioral health services. The pilots will be evaluated based upon whether integration results in (1) better health outcomes for consumers, (2) greater efficiencies in service delivery, and (3) increased reinvestment in behavioral health services.

3. Who can apply to participate in a pilot?

Any CMHSP can apply to participate in a pilot.

4. Who is participating in the pilot projects?

The primary participants in each pilot site will consist of the CMHSP and all of the Medicaid Health Plans within the pilot region.

5. How will the pilot sites be determined?

MDHHS will select the pilot sites based upon a Request for Information (RFI) process. The state will evaluate each applicant that meets all of the minimum mandatory requirements. MDHHS will select up to three pilot sites.

6. What is the difference between the pilot projects and the Kent County Demonstration Project?

The purpose of the pilot projects is to test financial integration of physical health and behavioral health services under a single contract with the Medicaid Health Plans.

The demonstration project will test integration at the service delivery level. During the demonstration project, funding for physical health and mild-to-moderate mental health services will continue to flow through the Medicaid Health Plans, and funding for specialty behavioral health services will continue to flow through the local Prepaid Inpatient Health Plan. The demonstration project tests whether providers can coordinate more effectively at the service delivery level without changes to current financing for Medicaid services.

7. What populations do the pilot projects cover?

The pilot projects will cover publicly-funded (Medicaid) services to individuals with intellectual/developmental disability, mental illness, substance use disorders, and children with serious emotional disturbances.

8. Will CMHSPs be required to work with all of the Medicaid Health Plans within their regions?

Yes, the CMHSPs who are selected as pilot sites will be required to work with all of the Medicaid Health Plans within their regions.

9. Will the pilot sites be required to adhere to all current CMH requirements?

Yes. All current CMH requirements must be followed by the pilot projects.

10. Will consumers who are receiving services through participating CMH's be allowed to opt out of the pilot projects?

If a CMHSP is selected as a pilot site, all consumers who receive services from the CMHSP will be included in the pilot.

11. How will the pilots affect access to the current array of services?

The pilots will be required to provide consumers with all of the services they currently receive.

12. How will reimbursement for providers change under the pilots?

The participants in the pilot regions will be able to propose and implement new reimbursement models as part of the pilots. However, the CMHSPs and MHPs within the pilot regions must adhere to all policy and contractual requirements for reimbursement as outlined under Medicaid policy, waivers, and contracts. Pilots will also be required to demonstrate continuity of care and adequacy of the provider network.

13. How will the pilots impact funding for substance abuse disorders?

The CMHSP will be responsible for the management of SUD funding during the pilots. The CMHSP would become a department designated community mental health entity (CMHE). Non-Medicaid funds will flow directly to the pilot CMHSP. Medicaid funding for SUD services will flow from the state to the MHPs within the pilot regions, the MHPs must contract with the CMHSPs within the pilot region for management of Medicaid-funded SUD services.

14. Will the General Fund dollars given to CMHs be affected by the pilot projects?

No, there will be no change during the pilots in General Fund dollars that are currently appropriated to the CMHSPs.

15. What is the timeframe for the pilots?

MDHHS issued the RFI in December 2017. It is anticipated that the pilots will be selected at the end of February 2018. MDHHS is currently aiming to implement the pilots by October 1st, 2018. According to the legislation, the pilots must operate for at least two years.

16. How will the pilot projects be evaluated?

The University of Michigan will evaluate the pilot projects. Evaluation measures that will be included are: improved coordination of behavioral and physical health services; improved health outcomes; customer satisfaction; provider network stability; treatment and service efficiencies, use of best practices, financial efficiencies, and other relevant factors.

17. Will the pilots impact Home and Community Based Services?

The pilots will be required to follow all current requirements including those for Home and Community Based Services.

18. Will CMHSPs be responsible for service delivery to individuals who have mild-to-moderate mental health needs?

The RFI does not mandate any changes regarding services to individuals with mild-to-moderate mental health needs.